



## Agenda of Special Board Meeting

### The Board of Trustees McAllen Independent School District

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- VISION** The McAllen Independent School District is a multicultural community in which students are enthusiastically and actively engaged in the learning process. Students demonstrate academic excellence in a safe, nurturing and challenging environment enhanced by technology and the contributions of the total community.
- MISSION** The mission of the McAllen Independent School District is to educate all students to become lifelong learners and productive citizens in a global society through a program of educational excellence utilizing technology and actively involving parents and the community.
- GOALS**
1. Student Achievement/Student Focus
  2. People Development
  3. Facility Priorities
  4. Financial Priorities
- STRATEGIES**
1. Branding
  2. Attract/Retain High Quality Staff
  3. Engaging Learning Environment
  4. Rigorous/World Class Standards to Customize for Every Learner
  5. Partnerships with Business/Civic/Education/Organizations
  6. Future Ready Students
  7. Financial Priorities

A Special Board Meeting of the Board of Trustees of the McAllen Independent School District will be held Monday, October 5, 2020, beginning at 5:30 PM.

Due to health and safety concerns related to COVID 19 Coronavirus this meeting will be conducted by Videoconference or telephone call in accordance to Section 551.125 of the Texas Government Code.

Members of the public may access this meeting at by videoconference or by telephone call at [www.mcallenisd.org](http://www.mcallenisd.org).

Public comments related to this meeting will be handled as follows: Public comments may be by use of the following video conference site: <https://www.mcallenisd.org/page/public-comments> or by telephone call to the following number 956 618-6094.

Members of the public who desire to address the board regarding an item on this agenda must comply with the registration procedures found at <https://www.mcallenisd.org/page/public-comments> .

At this meeting there may be discussion and action by the Board on the item(s) and subject(s) listed as follows:

1. **CALL MEETING TO ORDER**
2. **PUBLIC COMMENT(S)**
3. **RECOGNITION OF DR. J.A. GONZALEZ NAMED 2020 TEXAS SUPERINTENDENT OF THE YEAR** **3**  
 Item Submitted: Norma Zamora-Guerra, Director, Community Information
4. **APPROVAL OF THE MCALLEN INDEPENDENT SCHOOL DISTRICT SEPTEMBER BUDGET AMENDMENT FOR FISCAL YEAR BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021** **5**  
 Item Submitted: Cynthia Medrano Richards, Assismand Superintendent Business Operations  
**Presenter:** Dr. J. A. Gonzalez, Superintendent
5. **APPROVAL OF WAIVER REQUEST TO EXTEND THE 2020-2021 RETURN TO TRADITIONAL SCHOOL PHASE-IN PLAN UPDATE** **12**  
 Item Submitted: Arely Benavides, Assistant Superintendent District Operations  
**Presenter:** Dr. J. A. Gonzalez, Superintendent
6. **REPORT REGARDING PRESCRIPTION DRUG BENEFITS** **14**  
 Item Submitted: Todd Miller, Assistant Superintendent Human Resources  
**Presenter:** Dr. J. A. Gonzalez, Superintendent
7. **ADJOURNMENT**

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*If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.*

*The notice for this meeting was posted in compliance with the Texas Open Meeting Act on October 2, 2020 at 5:15 P.M.  
 Natalia Goza  
 For the Board of Trustees*

**BOARD RECOGNITION FORM  
McALLEN INDEPENDENT SCHOOL DISTRICT**

**Meeting Date (Recommended):** October 5, 2020

**Title of Recognition:**

**Photographer Requested:** Yes

**AV needs:** None

**Approved for Recognition:** \_\_\_\_\_



**Superintendent**

**PROCEDURE FOR BOARD RECOGNITION**

1. Fill out "Board Recognition Form" in its entirety at least 12 working days before the recommended date for presentation.
2. Submit completed form to Community Information Office with a cc to immediate supervisor and the Secretary to the Board of Trustees

Following the superintendent's executive team approval, confirmation of recognitions (year-at-a-glance) will be done via e-mail each week. Honorees are instructed to report to the Community Information office at 5:15 p.m. on their designated Board Meeting date.






# Recognition of Dr. J.A. Gonzalez named 2020 Texas Superintendent of the Year

Final Audit Report

2020-10-02

Created:	2020-10-02
By:	Veronica Carrasco(Comm Info) (veronica.carrascomar@mcallenisd.net)
Status:	Signed
Transaction ID:	CBJCHBCAABAAACepf1TmNx5PhMCuKfnajMksL4HZQZrOd

## "Recognition of Dr. J.A. Gonzalez named 2020 Texas Superintendent of the Year" History

-  Document created by Veronica Carrasco(Comm Info) (veronica.carrascomar@mcallenisd.net)  
2020-10-02 - 6:53:22 PM GMT- IP address: 24.167.60.93
-  Document emailed to Jose Gonzalez (jose.gonzalez@mcallenisd.net) for signature  
2020-10-02 - 6:53:25 PM GMT
-  Email viewed by Jose Gonzalez (jose.gonzalez@mcallenisd.net)  
2020-10-02 - 6:57:56 PM GMT- IP address: 24.162.187.22
-  Document e-signed by Jose Gonzalez (jose.gonzalez@mcallenisd.net)  
Signature Date: 2020-10-02 - 6:58:36 PM GMT - Time Source: server- IP address: 24.162.187.22
-  Agreement completed.  
2020-10-02 - 6:58:36 PM GMT

**BOARD AGENDA REPORT  
McALLEN INDEPENDENT SCHOOL DISTRICT**

**MEETING DATE:** October 5, 2020

**BOARD AGENDA REPORT  
McALLEN INDEPENDENT SCHOOL DISTRICT**

**MEETING DATE:** October 5, 2020

**SUBMITTED BY:** *Adelfino*

**SUPERVISOR:** *Cynthia Medrano-Richards*

**Approved for presentation to the Board of Education:**

*J. Adams*

Description	A Original Budget	B Revised Budget 08/31/2020	C Budget Amendments Under Consideration		E Revised Budget 09/30/2020
			Programmatic or Policy Changes	D Reclassifications	
<b>Unaudited Fund Balance</b>	<b>98,283,927</b>	<b>98,283,927</b>			<b>98,283,927</b>
Revenues:					
Local:					
Property Taxes	79,823,682	79,823,682			79,823,682
Interest Income	1,559,000	1,559,000			1,559,000
Other Local Income	2,827,299	2,827,299	43,796		2,871,095
State:	137,774,797	137,774,797			137,774,797
Federal:	21,131,995	21,131,995	134,406		21,266,401
Other Sources:	0	4,279,795	14,976		4,294,771
<b>Total Revenues</b>	<b>243,116,773</b>	<b>247,396,568</b>	<b>193,178</b>	<b>0</b>	<b>247,589,746</b>
Expenditures:					
11 Instruction	125,902,178	129,665,732	1,219,747	(86,961)	130,798,518
12 Inst. Res. & Media Services	3,591,042	3,607,318		2,562	3,609,880
13 Curriculum Dev. & Inst. Staff Dev.	4,566,016	4,779,125		150,606	4,929,731
21 Inst. Leadership	3,424,579	3,239,590	35,101	(17,627)	3,257,064
23 School Leadership	13,398,767	13,772,888		13,813	13,786,701
31 Guid., Counseling & Eval. Ser.	10,033,333	10,006,601	9,550	(76,895)	9,939,256
32 Social Work Services	1,864,993	1,879,013		(18,515)	1,860,498
33 Health Services	3,031,453	3,080,999	25,000	4,237	3,110,236
34 Student (Pupil) Trans.	4,007,329	4,228,643	662,647		4,891,290
35 Food Services	17,566,135	17,566,135	436,573	(27,925)	17,974,783
36 Curricular/Extracurricular Act.	9,996,499	9,994,063	21,464	19,845	10,035,372
41 General Administration	7,895,268	8,050,636	547,594		8,598,230
51 Plant Maint. & Operations	19,817,409	20,499,504	1,672,580	97,050	22,269,134
52 Security and Monitoring Serv.	4,387,069	4,729,254	345,000		5,074,254
53 Data Processing Services	4,703,026	5,540,328	895,000	(93,115)	6,342,213
61 Community Services	35,975	41,975	311		42,286
71 Debt Service	7,073,589	7,073,589		5,000	7,078,589
81 Fac. Acquisition & Const.	5,000	606,844	155,005	27,925	789,774
95 Pmt. to Juv. Justice Alt. Ed. Prg.	40,000	40,000			40,000
99 Other Intergovernmental Charges	891,975	891,975			891,975
Other Uses	85,330	85,330	500,000		585,330
<b>Total Expenditures</b>	<b>242,316,965</b>	<b>249,379,542</b>	<b>6,525,572</b>	<b>0</b>	<b>255,905,114</b>
<b>Preliminary Ending Fund Balance</b>	<b>99,083,735</b>	<b>96,300,953</b>	<b>(6,332,394)</b>	<b>0</b>	<b>89,968,559</b>

**GENERAL FUND**  
**Programmatic or Policy Changes**

**REVENUES:**

<b>Local</b>			
<b>Other Local Income</b>	- Carry Forward Donation from 2019-2020 for Fund 101 Food Service	\$ 176	
	- Carry Forward Donations from 2019-2020 for Fund 184 Fine Arts	1,245	
	- Carry Forward Donations from 2019-2020 for Fund 199 General Fund	<u>42,375</u>	43,796
<b>Federal</b>			
	- Funding for CDBG Fencing for Escandon, Fields, McAuliffe, Seguin and Thigpen/Zavala Elementary Schools and Brown Middle School from the City of McAllen	\$ 85,005	
	- Funding for CDBG Pea Gravel for McAuliffe, Thigpen/Zavala and Wilson Elementary Schools from the City of McAllen	10,000	
	- Carry Forward Fresh Fruit and Vegetable Grant from 2019-2020 for Fund 103 Food Service	<u>39,401</u>	134,406
<b>Other Sources</b>			
	- Increase to Sale of Personal Property for Fund 101 Food Service	\$ 4,996	
	- Transfer to Fund 199 General Fund from Fund 713 Safe Secure for Pre-K Playground Equipment at Perez Elementary	<u>9,980</u>	14,976
	<b>Grand Total</b>	<u>\$ 193,178</u>	

**EXPENDITURES:**

Function 11	- Transfer from Fund Balance for Fund 153 High School Allotment for Textbooks at McAllen High School	\$ 39,747	
	- Transfer from Assigned Fund Balance for Fund 199 General Fund - Compensation Plan	780,000	
	- Transfer from Assigned Fund Balance for Fund 199 General Fund - Coronavirus Relief Fund and Operation Connectivity Contingency	<u>400,000</u>	1,219,747
Function 21	- Increase to Supplies from 2019-2020 Carry Forward Donation for Fund 199 General Fund	\$ 101	
	- Transfer from Assigned Fund Balance for Fund 199 General Fund - Instructional E-books for 2nd Semester and Universal Pre-K Furniture	<u>35,000</u>	35,101
Function 31	- Increase to Testing Materials from 2019-2020 Carry Forward Donation for Fund 199 General Fund	<u>\$ 9,550</u>	9,550
Function 33	- Transfer from Assigned Fund Balance for Fund 199 General Fund - Nurse Substitutes	<u>\$ 25,000</u>	25,000
Function 34	- Transfer from Assigned Fund Balance for Fund 199 General Fund - 5 School Buses	\$ 520,000	
	- Transfer from Assigned Fund Balance for Fund 199 General Fund - Head Start Transportation for Students	<u>142,647</u>	662,647
Function 35	- Increase to Supplies from 2019-2020 Carry Forward Donation for Fund 101 Food Service	\$ 176	
	- Increase to Support Staff Extra Duty Pay for Fund 101 Food Service	4,996	
	- Transfer from Fund Balance for Fund 101 Food Service for Water Bottle Filling Stations in Response to COVID at all Campuses	392,000	
	- Increase to Food for Fresh Fruit and Vegetable Grant for Fund 103 Food Service	<u>39,401</u>	436,573
Function 36	- Increase to Miscellaneous Contracted Services and Student Travel from 2019-2020 Carry Forward Donation for Fund 184 Fine Arts	\$ 1,245	
	- Increase to Robotics Student Travel and Miscellaneous Contracted Services from 2019-2020 Carry Forward Donation for Fund 199 General Fund	<u>20,219</u>	21,464



**CAPITAL PROJECTS**

Description	A	B	C		D	E
	Original Budget	Revised Budget 8/31/2020	Budget Amendments Under Consideration		Revised Budget 09/30/2020	
			Programmatic or Policy Changes	Reclassifications		
<b>Unaudited Fund Balance</b>	<b>30,187,039</b>	<b>30,187,039</b>				<b>30,187,039</b>
Revenues:						
Local Interest Income						
Other Sources			500,000			500,000
<b>Total Revenues</b>	<b>0</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>0</b>	<b>500,000</b>
Expenditures:						
51 Plant Maint. & Operations	761,000	761,000	175,000			936,000
81 Fac. Acquisition & Const.	24,730,302	25,036,128	4,589,298			29,625,426
<b>Total Expenditures</b>	<b>25,491,302</b>	<b>25,797,128</b>	<b>4,764,298</b>	<b>0</b>	<b>0</b>	<b>30,561,426</b>
<b>Preliminary Ending Fund Balance</b>	<b>4,695,737</b>	<b>4,389,911</b>	<b>(4,264,298)</b>	<b>0</b>	<b>0</b>	<b>125,613</b>

**CAPITAL PROJECTS FUND**  
**Programmatic or Policy Changes**

**REVENUES:**

**Other Sources**

	- Increase to Operating Transfers In from Fund 199 General Fund to Fund 698 MISD Capital Projects for Pressbox	<u>\$ 500,000</u>	500,000
	Grand Total	<u>\$ 500,000</u>	


**EXPENDITURES:**

Function 51	- Carry Forward Purchase Orders and Budget Balance from 2019-2020 for Fund 620 MTN 2020 - Intercoms at Alvarez, Fields, Garza, Gonzalez, Hendricks, Perez, and Wilson Elementary Schools and Brown and Fossum Middle Schools	<u>\$ 175,000</u>	175,000
Function 81	- Increase for Pressbox for Fund 698 MISD Capital Projects	\$ 500,000	
	- Carry Forward Purchase Orders and Budget Balance from 2019-2020 for Fund 620 MTN 2020 - HVAC, Tennis Court Resurfacing, Fire Alarms, Paving, Restrooms and Science Labs	<u>4,089,298</u>	4,589,298
	Grand Total	<u>\$ 4,764,298</u>	

**BOARD AGENDA REPORT  
MCALLEN INDEPENDENT SCHOOL DISTRICT**

**MEETING DATE:** October 5, 2020

**SUBMITTED BY:** 

**SUPERVISOR:**   
Arely Benavides (Oct 2, 2020 09:18 CDT)

**Approved for presentation to the Board of Education:**



**12** \_\_\_\_\_  
**Superintendent of Schools**

# McAllen ISD Return to Traditional School Phase-In Plan

Waiver granted by TEA on October 1, 2020



## AUGUST 2020

	Monday	Tuesday	Wednesday	Thursday	Friday
	27	28	29	30	31
daily notes					
	3	4	5	6	7
daily notes					
	10	11	12	13	14
daily notes					
	17	18	19	20	21
daily notes					
	24	25	26	27	28
<b>WEEK 1</b> 1st 6 weeks 1/5	First Day of School	Remote Learning*			

## OCTOBER 2020

	Monday	Tuesday	Wednesday	Thursday	Friday
	5	6	7	8	9
<b>WEEK 7**</b> 2nd 6 weeks 2/5	Remote Learning* + Phase-In 1 + Phase-In 2 HeadStart				
	12	13	14	15	16
<b>WEEK 8**</b> 2nd 6 weeks 3/5	Remote Learning* + Phase-In 1 + Phase-In 2 HeadStart				
	19	20	21	22	23
<b>WEEK 9***</b> 2nd 6 weeks 4/5	Remote Learning* + Phase-In 1 + Phase-In 2 HeadStart				
	26	27	28	29	30
<b>WEEK 10***</b> 2nd 6 weeks 5/5	Remote Learning* + Phase-In 1 + Phase-In 2 HeadStart				

\*includes onsite for students with connectivity issues and specific requests

\*\*waiver request #1

\*\*\*waiver request #2

## SEPTEMBER 2020

	Monday	Tuesday	Wednesday	Thursday	Friday
	31	1	2	3	4
<b>WEEK 2</b> 1st 6 weeks 2/5	Remote Learning*				
	7	8	9	10	11
<b>WEEK 3</b> 1st 6 weeks 3/5	Remote Learning*				
	14	15	16	17	18
<b>WEEK 4</b> 1st 6 weeks 4/5	Remote Learning*				
	21	22	23	24	25
<b>WEEK 5**</b> 1st 6 weeks 5/5	Phase-In 1	Remote Learning* + Phase-In 1			
	28	29	30	1	2
<b>WEEK 6**</b> 2nd 6 weeks 1/5	Phase-In 2	Remote Learning* + Phase-In 1 + Phase-In 2 HeadStart			
daily notes					

## NOVEMBER 2020

	Monday	Tuesday	Wednesday	Thursday	Friday
	2	3	4	5	6
<b>WEEK 11***</b> 3rd 6 weeks 1/6	Remote Learning* + Phase-In 1 + Phase-In 2 HeadStart				
	9	10	11	12	13
<b>WEEK 12***</b> 3rd 6 weeks 2/6	Phase-In 3 All staff returns	Remote Learning* + Phase-In 1 + Phase-In 2 HeadStart + FTF, Combo or Remote for PK, K, 1, 2, 6, 9, MISD staff children			
	16	17	18	19	20
	FTF, Combo, or Remote for all grades				PD DAY
	23	24	25	26	27
	Thanksgiving				



Pharmacy Benefit Strategists



# About ELECT Rx

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Founded in  
**2004**

Office  
Locations  
MI, OH, FL,  
IN, PA

500,000+  
**RX's**  
Fulfilled

**U.S.**  
Based  
Customer  
Service  
Center

Pharmacy  
Benefit  
Strategist

**HIPAA**  
Compliant

**\$150+**  
Million  
in Client  
Savings

**Fully  
Insured**  
E&O/  
General  
Liability/Cyber  
Security

# Why Use Personal Importation

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It is a  
**Win-Win**  
opportunity



Because it lowers plan and member cost

# Safety is our First Priority



✓ Complete Bioequivalence With FDA Approved Versions

✓ Tier 1 Countries  
Canada  
New Zealand  
Australia  
England

✓ Cold Chain Custody

✓ Brick and Mortar Retail Pharmacy



# Congressional Hearing

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-  *Fmr. FDA Commissioner*
-  *Dr. Scott Gottlieb*
-  *Congressional Comments*



# Onboarding Process

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## Engagement

- *Complete Company Information Form Online*
- *Complete SFTP Eligibility transfer setup*
- *Assist in Customer Formulary Development*
- *Integration with Araya PBM*
  - *Share Financial and Clinical Data*
  - *Targeting drug savings opportunities*

## Implementation

- *Develop appropriate Education materials*
  - *Poster campaign for all school and administration buildings*
  - *Use of MISD direct mail and e-mail communications*
  - *Elect Rx Visit*
- *Easy Sign-up*

# Member Experience



- Educating Members
- Call Member Service
- Determine Eligibility
- Gather Information
- Obtain Prescription



## First Steps



## Getting what you need

- Order is Submitted for processing
- Delivery USPS



- Pharmacy will contact members for refills
- Customer Service available throughout
- Cooler Return



## Cost Savings on Medication

# Why ELECT Rx

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## Proven Cost Savings

*The Elect Rx Program is the addition of one more pharmacy to the existing participating pharmacy network whereby certain brand drug medication costs are 40-70% cheaper than current pharmacy network prices. The existing PBM does not change.*



## Safe and Trusted

*Our program is currently serving 500,000+ Members while protecting our customer information and ensuring the quality of the prescription drugs and the unique delivery process to our clients.*



## Customer Service

*We provide transparency and reliable customer service to all plan members and pride ourselves on the efficiency and simplicity of our prescription process.*

# What this means for You

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## MISD Benefits

- *The Elect Rx Program can be a voluntary or a mandatory program.*
- *Those plan members that participate have \$0 Co-payments*
- *Plan members and McAllen Independent School District (MISD) all contribute to the cost of the employee benefits. The Elect Rx Program greatly reduces Rx costs to the plan. Plan members will maintain benefit design and/or temper monthly contribution increases.*
- *The Elect Rx Program promotes medication adherence which means less facility based medical claims such as emergency and actual Hospital admissions.*
- *MISD saves on the Rx benefit costs. Taxpayers win!*

# International Pharmacy

(Elect Rx) Saving Analysis

Top 14 Drugs

Compared to Data from 1/1/20 - 6/30/20

Label name	Claims	Current Rx Cost per drug	Current Total	Elect Rx Cost per drug	Elect Rx Total	Estimated Savings	Estimated Annual Savings
Humira Pen Inj 40 MG/0.8	38	\$5,468	\$207,784	\$2,686	\$102,068	\$105,716	50.88%
Trulicity Inj 1.5/0.5	168	\$1,115	\$187,320	\$492	\$82,718	\$104,602	55.84%
Farxiga Tab 10 MG	97	\$891	\$86,427	\$367	\$35,599	\$50,828	58.81%
Januvia Tab 100 MG	45	\$1,168	\$52,560	\$348	\$15,660	\$36,900	70.21%
Copaxone Inj 40 MG/ML	5	\$6,750	\$33,750	\$1,726	\$8,630	\$25,120	74.43%
Enbrel Sure Click Inj 50 MG/ML	20	\$5,414	\$108,280	\$2,819	\$56,380	\$51,900	47.93%
Gilenya Cap 0.5 MG	5	\$8,500	\$42,500	\$3,657	\$18,285	\$24,215	56.98%
Jardiance Tab 25 MG	45	\$983	\$44,235	\$343	\$15,435	\$28,800	65.11%
Ozempic Inj 2/1.5 ML	122	\$940	\$114,680	\$395	\$48,190	\$66,490	57.98%
Xigduo XR	45	\$1,086	\$48,870	\$385	\$17,325	\$31,545	64.55%
Norditropin Flexpro	6	\$7,436	\$44,616	\$4,562	\$27,372	\$17,244	38.65%
Janumet	57	\$737	\$42,009	\$260	\$14,820	\$27,189	64.72%
Synjardy	36	\$956	\$34,416	\$289	\$10,404	\$24,012	69.77%
Ibrance Cap 125 MG	4	\$12,226	\$48,904	\$6,403	\$25,612	\$23,292	47.63%

\$1,096,351

\$478,498

-\$617,853

-56.36%



# **Pharmacy Benefit Management**

Current & Historical Cost Review

**Presented by:**

**Roger Garza, Benefit Consultant**

### **Araya began managing the Rx benefits for McAllen ISD on January 1<sup>st</sup>, 2020**

- Araya's contract with McAllen ISD is transparent and full pass through
  - McAllen pays Araya what pharmacies are paid
  - McAllen receives 100% of rebates collected by Araya
  - Prior PBM contract was not transparent and pass through and MISD was not receiving 100% of rebates.

# McAllen ISD YTD

Jan 20 to June 20

## Monthly Utilization YTD

Submitted Date	\$PMPM	#Rx PMPY	\$/Rx	Plan Pay	Patient Pay	Member Months	# Rx	Generic %	Rebates (estimated)
20-Jan	\$78.28	9.9	\$113.17	\$544,021	\$48,892	5,534	4,565	86.11%	\$83,438
20-Feb	\$80.39	9.7	\$117.42	\$535,138	\$43,853	5,373	4,336	86.28%	\$77,168
20-Mar	\$90.33	10.9	\$116.93	\$604,309	\$45,505	5,398	4,916	85.90%	\$87,238
20-Apr	\$82.27	7.6	\$148.25	\$528,004	\$35,443	5,343	3,423	84.00%	\$67,910
20-May	\$85.58	7.3	\$162.62	\$544,636	\$32,587	5,343	3,230	84.00%	\$67,994
20-Jun	\$77.42	8.4	\$129.44	\$508,834	\$36,041	5,388	3,757	86.00%	\$69,148

## Year to Year Comparison

Metric	Araya YTD 2020	Previous PBM (2019)	Change From Previous PBM
Total Plan Pay	\$2,812,046	\$2,807,508	0.2%
Claim Count	24,227	25,029	-3.2%
Member Months	32,379	32,606	-0.7%
\$ PMPM	\$86.65	\$86.10	0.6%
Rx PMPY	9.0	9.2	-0.2%
\$/Rx	\$116.07	\$112.19	3.5%
Generic %	85.4%	86.0%	-0.6%

## Observations/Changes

- Manufacturers have also increased their costs significantly
- Overall comparing 2019 to 2020
- Brand non-specialty AWP increased..... 4.4%
- Brand specialty AWP increased ..... 5.7%
- Total increased cost to plan: .....\$479K
  
- Brand name utilization is strong cost driver
- McAllen ISD generic utilization rate is .....86%
- Araya’s average is .....84%
- Brand name drugs represent 14% of claims and 89% of costs
- Multi-source drugs (Brands with Generic available) only 1% of claims
- Still opportunity to increase generics with Araya’s step therapy programs
- Estimated 20-21 rebates is \$960,000. Prior year 19-20 MISD only collected \$172,966

# Historical Data & 20-21 Plan Year

Source data: MISD Comparison of MISD GL as June 30, 2020

Fiscal Year	Company	Rx Claims	Rx Admin Fees	Rx Total	Rx Rebates	Annual Totals	Increase	Increase %
July 16 to June 17	Express Scripts American Healthcare	\$4,686,086.80	\$143,174.39	\$4,829,261.19	-\$456,307	\$4,372,954.19		
July 17 to June 18	American Healthcare	\$4,683,475.73	\$210,930.71	\$4,894,406.44	-\$271,401	\$4,623,005.44	\$250,051.25	5.72%
July 18 to June 19	American Healthcare/Maxor Plus	\$5,735,287.43	\$178,936.02	\$5,914,223.45	-\$240,125	\$5,674,098.57	\$1,051,093.13	22.74%
July 19 to June 20	Maxor Plus/Araya Rx	\$6,165,523.23	\$224,234.10	\$6,389,757.33	-\$172,966	\$6,216,791.33	\$542,692.76	9.56%
*July 20 to June 21	Araya Rx	\$6,483,793.41	\$290,724.00	\$6,774,517.41	-\$960,000	\$5,814,517.41	-\$402,273.92	-6.47%

\* Estimated rebates for (3) QTRS = \$960,000, (4) QTRS = \$1,200,000

### July 20 to June 21

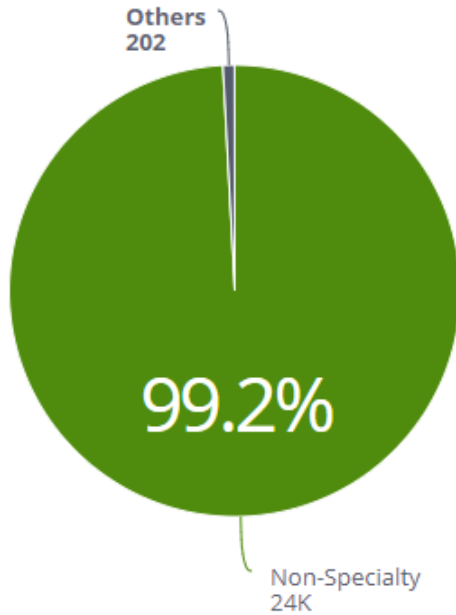
	Maxor Plus	*Araya Rx
Rx Claims	\$6,165,523.23	\$6,483,793.41
Rx Admin Fees	\$224,234.10	\$290,724.00
Estimated Rebates	-\$172,966	-\$960,000
	\$6,216,791.33	\$5,814,517.41
Increase +/-		-\$402,273.92
Increase % +/-		-6.47%

\* Estimated cost: Average of Jan 20 - June 20 (\$495,702.86) x 9% (540,316.11) x 12 = (\$6,483,793.41) + Annual Rx Admin Fee (\$290,724) = \$6,774,517.41

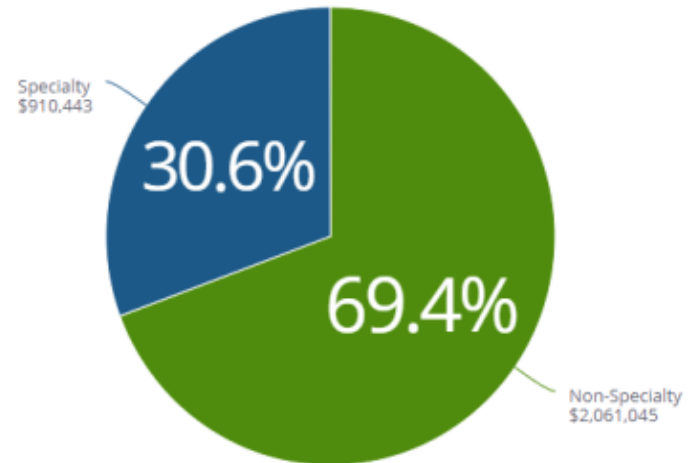
# Specialty vs Non-Specialty Spend

January 1, 2020 – June 30, 2020

### Claim Count



### Plan Pay



Specialty Indicator	Claim Count	Plan Pay	Average \$ per Claim	# Unique Utilizing Members
Non-Specialty	24,001	\$2,061,045	\$75	1,952
Specialty	202	\$910,443	\$4,681	33

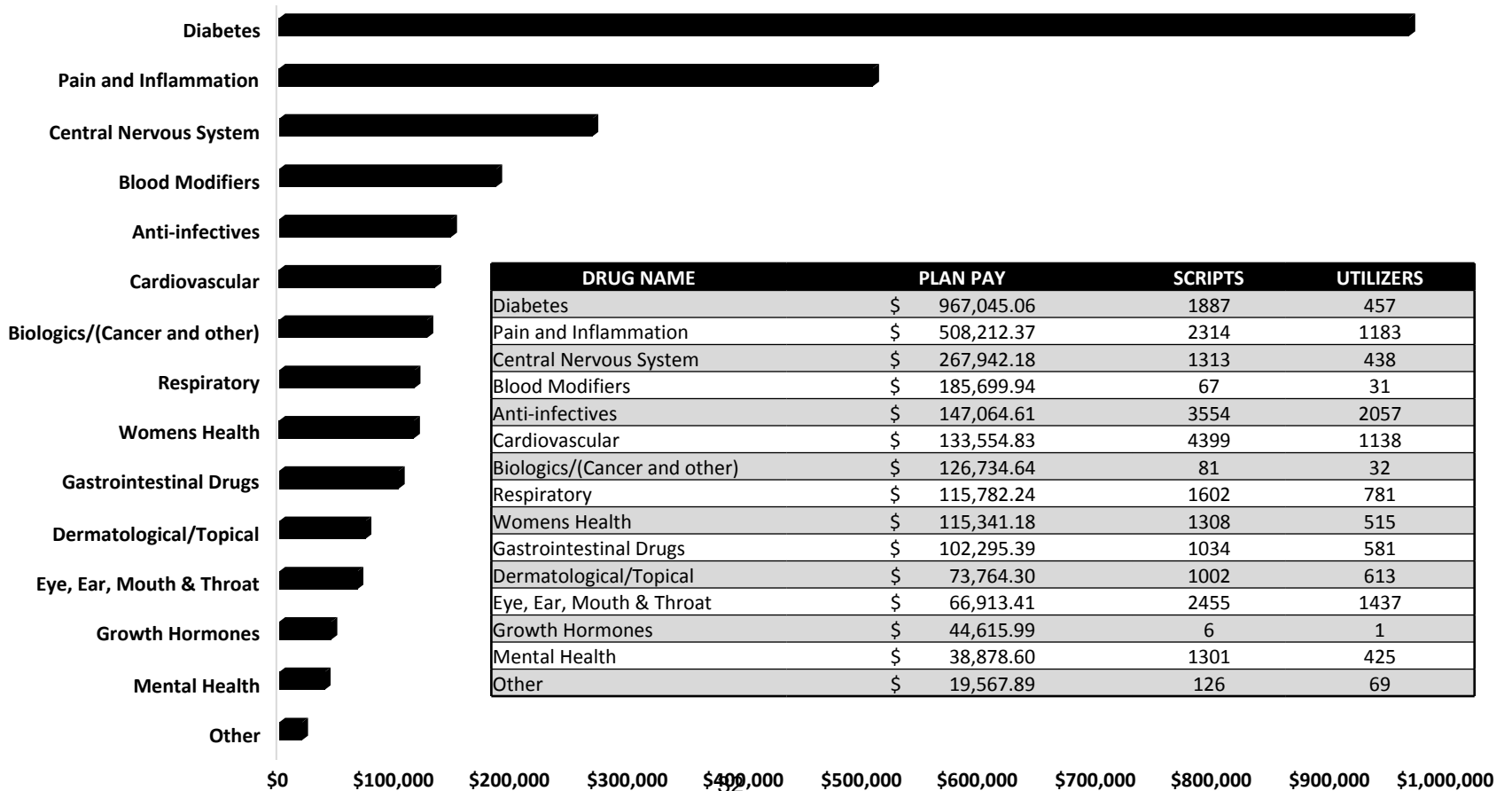
## Specialty vs Non-Specialty Spend

- Specialty Pharmacy is the primary cost driver
- Less than 1% of claims
- Greater than 30% of costs
- An increasing number of disease states are being treated with high-cost specialty medications
- Opportunity to reduce unit cost through prior authorization and international pharmacy
- Minimal # of members impacted
  
- Diabetes and inflammation continue to be largest drivers of cost increase
- Biologically engineered drugs are more expensive than previous therapies
- Direct-to-consumer advertising is a key factor in increased utilization

# Top Indications by Plan Pay

## (Specialty & Non-Specialty)

January 1, 2020 – June 30, 2020



# Top 14 Specialty Drug Utilizing Members

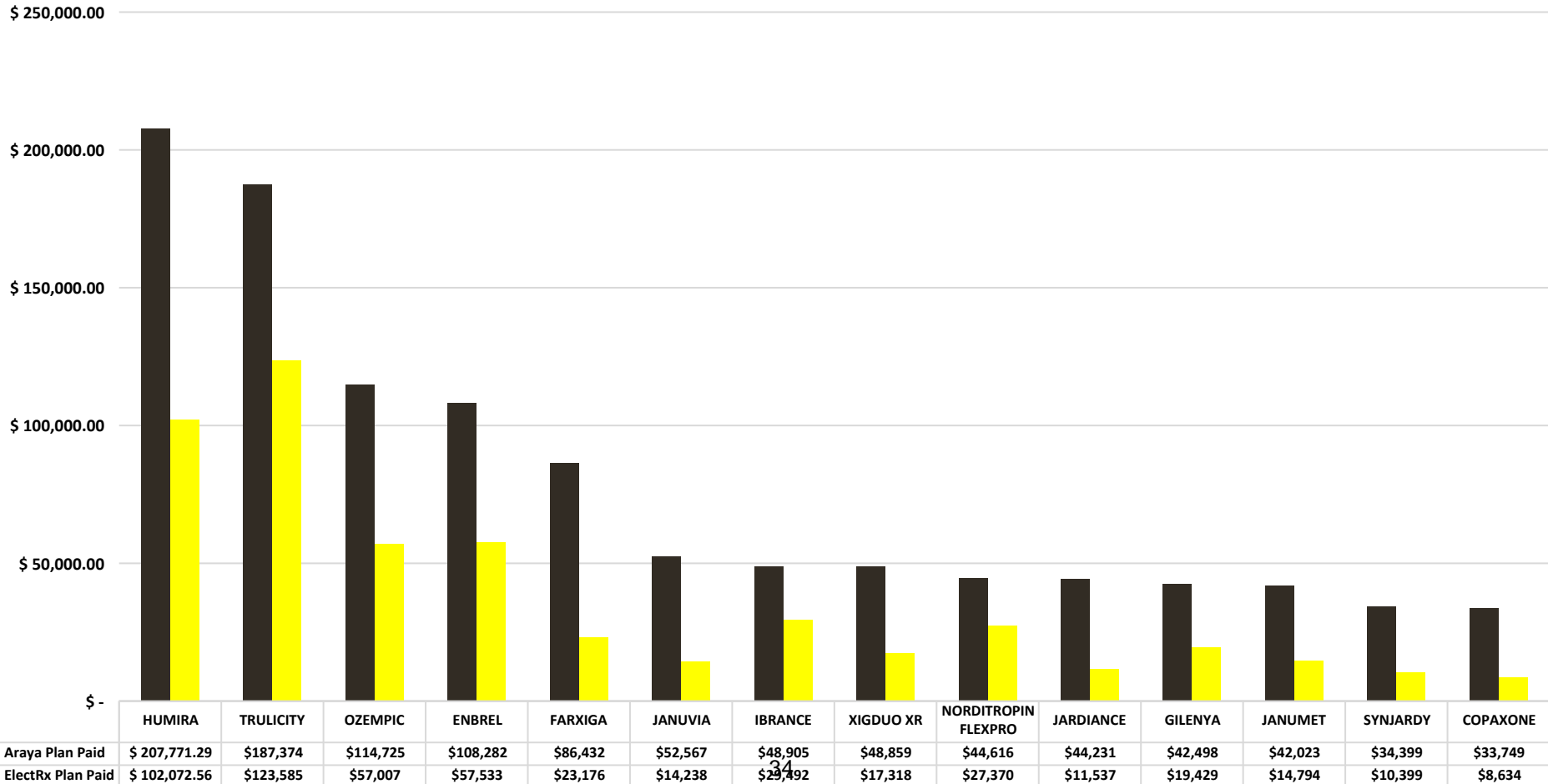
	2017-2018		2018-2019		**2019-2020	
	Members	Rx Cost (30) days	Members	Rx Cost (30) days	Members	Rx Cost (30) days
Humira Pen Inj 40 MG/0.8	5	\$4,686	7	\$4,749	5	\$5,468
Trulicity Inj 1.5/0.5	20	\$646	43	\$1,267	55	\$1,115
Farxiga Tab 10 MG	22	\$387	23	\$778	44	\$891
Januvia Tab 100 MG	27	\$359	18	\$891	23	\$1,168
Copaxone Inj 40 MG/ML	2	\$6,373	2	\$4,475	1	\$6,750
Enbrel Sure Click Inj 50 MG/ML	7	\$4,555	8	\$4,716	6	\$5,414
Gilenya Cap 0.5 MG	1	\$7,104	1	\$7,828	1	\$8,500
Jardiance Tab 25 MG	*	*	*	*	23	\$983
Ozempic Inj 2/1.5 ML	*	*	*	*	35	\$940
Ibrance Cap 125 MG	*	*	1	\$10,680	1	\$12,226
Xigduo XR	20	\$558	18	\$682	15	\$1,086
Norditropin Flexpro	*	*	*	*	1	\$7,436
Synjardy	*	*	*	*	24	\$956
Janumet	22	\$364	14	\$645	17	\$737

\* Drugs not available or prescribed at that time

33  
\*\* Plan year changed from Oct to Jan

# International Pharmacy (Elect Rx)

Top Paid Specialty and Non-Specialty claims from Jan 1, 2020 through June 30, 2020



# International Pharmacy

(Elect Rx) Saving Analysis

Top 14 Drugs

Compared to Data from 1/1/20 - 6/30/20

Label name	Claims	Current Rx Cost per drug	Current Total	Elect Rx Cost per drug	Elect Rx Total	Estimated Savings	Estimated Annual Savings
Humira Pen Inj 40 MG/0.8	38	\$5,468	\$207,784	\$2,686	\$102,068	\$105,716	50.88%
Trulicity Inj 1.5/0.5	168	\$1,115	\$187,320	\$492	\$82,718	\$104,602	55.84%
Farxiga Tab 10 MG	97	\$891	\$86,427	\$367	\$35,599	\$50,828	58.81%
Januvia Tab 100 MG	45	\$1,168	\$52,560	\$348	\$15,660	\$36,900	70.21%
Copaxone Inj 40 MG/ML	5	\$6,750	\$33,750	\$1,726	\$8,630	\$25,120	74.43%
Enbrel Sure Click Inj 50 MG/ML	20	\$5,414	\$108,280	\$2,819	\$56,380	\$51,900	47.93%
Gilenya Cap 0.5 MG	5	\$8,500	\$42,500	\$3,657	\$18,285	\$24,215	56.98%
Jardiance Tab 25 MG	45	\$983	\$44,235	\$343	\$15,435	\$28,800	65.11%
Ozempic Inj 2/1.5 ML	122	\$940	\$114,680	\$395	\$48,190	\$66,490	57.98%
Xigduo XR	45	\$1,086	\$48,870	\$385	\$17,325	\$31,545	64.55%
Norditropin Flexpro	6	\$7,436	\$44,616	\$4,562	\$27,372	\$17,244	38.65%
Janumet	57	\$737	\$42,009	\$260	\$14,820	\$27,189	64.72%
Synjardy	36	\$956	\$34,416	\$289	\$10,404	\$24,012	69.77%
Ibrance Cap 125 MG	4	\$12,226	\$48,904	\$6,403	\$25,612	\$23,292	47.63%

\$1,096,351

\$478,498

**-\$617,853**

**-56.36%**

***“Member has no copay with International Pharmacy Program”***

# High Cost Utilizers

January 1, 2020 – June 30, 2020

Total Plan Paid	Scripts	Primary Indication	ElectRx	Savings Opportunity?	Monthly Savings Estimate
\$161,035	6	Gaucher Disease	no	No	
\$98,248	30	Epilepsy	no	Conversion of brand Keppra XR and brand Lamictal XR to generic formulations could lead to about \$2k in savings monthly	\$2,000
\$73,337	6	Cancer	Ibrance	International pharmacy	\$4,000
\$48,896	3	Cancer	Sutent	International pharmacy (need to use three 12.5 mg caps instead of one 37.5 mg cap)	\$7,500
\$45,669	7	Inflammatory Conditions	Humira	International Pharmacy	\$4,000
\$44,822	6	Growth Hormone Deficiency	Norditropin	International Pharmacy	\$3,500
\$44,156	8	Inflammatory Conditions	Enbrel	International Pharmacy	\$2,000
\$42,629	7	Diabetes, inflammatory conditions	Humira, GLP-1 RA Alternatives	International pharmacy	\$4,500
\$42,512	5	Multiple Sclerosis	Gilenya	International pharmacy	\$4,000
\$38,707	7	Inflammatory Conditions	Humira	International Pharmacy	\$4,000
\$38,415	7	Inflammatory Conditions	Humira	International Pharmacy	\$4,000
\$38,224	7	Inflammatory Conditions	Humira	International Pharmacy	\$4,000
\$33,748	5	Multiple Sclerosis	Copaxone	International Pharmacy	\$2,500
\$32,575	6	Inflammatory Conditions	Enbrel	International Pharmacy	\$2,000

## Top Pharmacies by Plan Pay

(All Drugs)

January 1, 2020 – June 30, 2020

PHARMACY NAME	BRAND DISC.	BRAND \$	GENERIC DISC.	GENERIC \$	TOTAL \$
HEB, LP	19.34%	\$355,903	90.44%	\$42,776	\$398,679
CVS PHARMACY INC	19.46%	\$192,961	83.10%	\$66,204	\$259,165
WAL MART STORES TEXAS LLC	17.94%	\$171,345	87.45%	\$27,987	\$199,332
MAXOR NATIONAL PHARMACY SERVICES LLC	18.00%	\$83,670			\$83,670
LOCAL A	18.70%	\$48,112	90.34%	\$7,282	\$55,394
SENDERRA RX PARTNERS LLC	15.39%	\$43,777			\$43,777
LOCAL B	19.57%	\$31,964	89.91%	\$4,868	\$36,832
LOCAL C	18.00%	\$22,040	65.22%	\$871	\$22,911
LOCAL D	18.85%	\$7,305	95.64%	\$115	\$7,420
LOCAL E	17.50%	\$7,094	96.71%	\$18	\$7,112

## Top Pharmacies by Specialty Drugs

January 1, 2020 – June 30, 2020

Rank	Drug Name	HEB	CVS	Walmart	Local A, B	Alliancerx	Misc (<10)
1	HUMIRA PEN (40mg/0.8ml)	12	9				
2	TRULICITY (1.5 mg/0.5ml)	64	45	30	8	0	12
3	FARXIGA TABS (10mg)	27	41	3	8	0	11
4	JANUVIA TABS (100mg)	27	12	10			2
5	COPAXONE (40mg/ml)						7
6	ENBREL SURECLICK (50mg/ml)			11		2	
7	GILENYA CAPS (0.5mg)						6
8	JARDIANCE TABS (25mg)	12	4	19	6		
9	OZEMPIC (1.5ml)	37	17	9	15		10
10	IBRANCE CAPS (125mg)						4
		179	128	82	37	2	52

## Recommendations

- Implement International Pharmacy Program. Make it **MANDATORY** for the top 14 high cost specialty drugs.

**BOARD AGENDA REPORT  
MCALLEN INDEPENDENT SCHOOL DISTRICT**

**MEETING DATE:** October 5, 2020

**SUBMITTED BY:** *Andres Silva*  
Andres Silva (Sep 30, 2020 10:51 CDT)

**SUPERVISOR:** *J. Adams*

**Approved for presentation to the Board of Education:**

*J. Adams*

40 \_\_\_\_\_  
**Superintendent of Schools**                      **Sep 30, 2020**